

## Groups challenge another permit for Shell Arctic drilling

EPA would allow too much pollution, they say.

By Dan Joling

Alaska Native and conservation groups are again taking aim at a federal permit needed by a subsidiary of Royal Dutch Shell to drill for petroleum in Arctic Ocean waters off Alaska's northern shore.

Nine groups on Monday challenged an air permit granted to Shell Offshore Inc. by the Environmental Protection Agency for the drilling ship Kulluk, which Shell hopes to use next year in the Beaufort Sea. The groups last month appealed an air permit for the Discoverer and its support vessels, which Shell also hopes to use in the Chukchi Sea.

"EPA rushed to issue a permit and did not do its job to ensure that clean air standards are met in the Arctic, including those intended to meet public health," said Colin O'Brien, an attorney for environmental law firm Earthjustice, by phone from Juneau.

The groups claim the drill ships would allow Shell to emit significant amounts of harmful pollution, setting an unhealthy precedent for the Arctic outer continental shelf.

Shell spokesman Curtis Smith responded from Seattle, where the Kulluk was undergoing upgrades to its engines and generators so it can meet standards set by the EPA, he said.

"We've made every effort to reduce emissions to the lowest possible levels," Smith said. Shell has spent hundreds of millions on the vessels for modifications and they will burn ultra-low emission diesel fuel, he said.

"We're confident in the EPA's finding that our program will have no negative impact on coastal communities," he said. The air permits will hold up to scrutiny by the agency's Environmental Appeals Board, he added.

The vessels will operate for just 120 days during the Arctic's open water season, Smith said, and are designed to come in under the emission limits set by the EPA.

"We're not the ones who set the bar and the bar is quite high," Smith said.

A successful appeal of previous air permits played a part in Shell's decision to cancel drilling for 2011. In that case, the appeals board concluded that analysis of the impact of nitrogen dioxide emissions on Alaska Native communities was too limited. The board remanded the permits to allow the agency to fix permit problems.

O'Brien said Shell's latest permit was based on pollution estimates that are inherently unreliable because they are based on equipment that Shell did not identify and that the EPA never intends to test.

The agency, he said, arbitrarily determined that the Kulluk has the potential to emit 240 tons per year of nitrogen oxides and 200 tons of carbon monoxide. That's a lowball estimate under the 250 tons per year threshold that would make the vessel a major emitting facility, O'Brien said.

"EPA has allowed Shell to rely on the underestimate of emissions in order to classify Shell as a minor source and avoid the more stringent controls that

are required for sources of the Kulluk's magnitude," he said.

The EPA has also declined to apply other standards of the Clean Air Act, he said, such as requirements within the immediate vicinity of the vessel where air pollution is expected to be at its highest levels and which fall within historic subsistence hunting areas.

The groups contend that Shell has underestimated its one-hour nitrogen dioxide pollution by using a modeling approach that the EPA has said is insufficient to protect the public.

Earthjustice is representing Resisting Environmental Destruction on Indigenous Lands (REDOIL), Alaska Wilderness League, Center for Biological Diversity, Natural Resources Defense Council, Northern Alaska Environmental Center, Oceana, Pacific Environment, Sierra Club and The Wilderness Society.

The appeal is one of at least three, O'Brien said, including one by an individual and another by Inupiat Community of the Arctic Slope.

There is no required timetable for deciding the appeals, including one filed last month for the Discovery, O'Brien said, but the appeals board has indicated it would expedite the case.

